



MINUTES OF THE BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES, STATE OF CALIFORNIA

Violet Varona-Lukens, Executive Officer-  
Clerk of the Board of Supervisors  
383 Kenneth Hahn Hall of Administration  
Los Angeles, California 90012

At the meeting held May 20, 2003, the Board took the following action:

S-1

The Board received and filed and took under advisement requests and statements relating to the 2003-04 Proposed County Budget as follows:

1. Statement of Steve Cooley, District Attorney and William R. Mangan, Director of Bureau of Management and Budget, regarding the District Attorney's 2003-04 proposed budget; and requesting that the Board not reduce his Department's budget but maintain the current level of funding. (Attachment).
2. Statement of Sheriff Lee Baca and Paul K. Tanaka, Chief of Administrative Services Division regarding the Sheriff Department's 2003-04 proposed budget relating to staff vacancies due to attrition; workers compensation; contract billing practices; responsibilities of the community outreach field deputies; and requesting additional funding for professional and specialized services and departmental expenses.
3. Statement of Steven Remige, Vice President for the Association for Los Angeles Deputy Sheriffs (ALADS), regarding the importance of maintaining public safety and requesting the Board to avoid cuts in public safety.
4. Statement of Rahimaj Asubian-Brinkley, Executive Director of Cultural Reflections Productions Co. LTD, relating to the environment and conditions of the County jail and requesting that her son be returned to the medical ward of the County jail; that a committee be formed for the Sheriff's Department to recommend hiring and firing of deputies; and support for the proposal submitted by the Coalition for Blacks' Best Interest.

(Continued on Page 2)

5. Statement of Warren Williams requesting support and funding for the proposal of the Coalition for Blacks' Best Interest submitted during the Budget Hearing on May 14, 2003; and requesting support for a proclamation declaring May 27, 2003 through July 1, 2003 as Los Angeles County and City Dads Month and the African-American Dads Month and Festival. (Attachment)
6. Statement of William Campbell, regarding the Sheriff's Department's 2003-04 proposed budget.
7. Statement of Ms. Jessie C. Barbour, regarding funding for various community projects; and requesting support and funding for the proposal of the Coalition for Blacks' Best Interest submitted during the Budget Hearing on May 14, 2003.
8. Statement of Ted Hayes, requesting support and funding for the proposal of the Coalition for Blacks' Best Interest submitted during the Budget Hearing on May 14, 2003.
9. Statements of David E. Janssen, Chief Administrative Officer, Lloyd W. Pellman, County Counsel, and J. Tyler McCauley, Auditor-Controller, relating to litigation expenses and judgments and settlements costs, including efforts to implement systems such as RMIS. (Attachments dated May 13, 2003 from the Chief Administrative Officer and May 20, 2003 from County Counsel)

After discussion on motion of Supervisor Burke, seconded by Supervisor Molina, unanimously carried, the Board took the following actions:

1. Received and filed and took under advisement various supplemental budget requests and comments made during the public budget hearings which commenced on May 14, 2003;
2. Made a finding that a notice of public budget hearings was given in accordance with Section 29080 of the Government Code, that said hearings commenced on the 14th day of May 2003 pursuant to said notice and as required by Section 29081 of the Government Code;

(Continued on Page 3)

S-1 (Continued)

3. Closed the public budget hearings for purposes of oral testimony, finding that there are no persons who have not been given the opportunity to be heard; but to allow maximum public input, permit additional written testimony and requests to be filed through the close of business, Friday, May 23, 2003; and
4. Reconfirmed that Budget Deliberations will begin on Monday, June 23, 2003 at 9:30 a.m.

Attachments

R:\2003-04 Budget\05-20-03-S-1.doc

c: Each Supervisor  
District Attorney  
Sheriff  
Chief Administrative Officer  
County Counsel  
Auditor-Controller



1

**STATEMENT OF DISTRICT ATTORNEY  
STEVE COOLEY**

To the Board of Supervisors  
Concerning the 2003-04 Recommended Budget  
May 20, 2003

- This year my office is being asked once again to cut its budget.
- The CAO has recommended a \$4.6 million curtailment for the D.A.'s office in the coming year.
- I have been before this Board in somewhat better times as well as not so good times such as now.... the result is invariably the same, a great deal of sympathy and empathy– but no help!
- I am asking you this year to give my Department a pass on the recommendation to cut our budget. Instead take the affirmative step to signal to the people of Los Angeles County that law enforcement and justice, the secure community it provides and, very importantly, the rights of victims are a foremost priority in the minds of Los Angeles County's legislative leadership – you!

- Soon after I came into office as the District Attorney, I directed my staff to assess the state of the Department and its funding.
- I determined that the District Attorney's budget for new grant programs had been previously and chronically underfunded. This was done to create a zero increase in Net County costs during tough economic times.

The technique employed was very simple:

1. Create a revenue appropriation of 100 percent to the grants' expected revenues.
2. Allocate 100 percent of the required positions for the grants.
3. Budgetarily appropriate only 80 percent of the salaries required to staff the grant positions.

- This technique maximized the use of outside funding during the immediate year following acquisition of the grants. But it caused serious problems in managing the Department, because full funding was never appropriated in the subsequent years:
  1. It caused the Department to reallocate staff from general county funded positions to grant positions with no hope of replacing staff in the County-funded positions. This due to inadequate funding.
  2. It created long-term vacancies in County-funded positions which could not be filled due to inadequate funding.
  3. It contributed to the expansion of the Department's "Salary Savings" to a point where it now represents 13 percent of all salaries required to staff the Department. The Sheriff has found 7% to be intolerable and unacceptable.



- The Department has never been able to fully restaff the county general funded positions in subsequent budget years.
- That's why I have repeatedly communicated with the Board and the CAO that this issue should be addressed. It takes funding to redress the disaster that this has caused in my Department.
- The Board recognized this budgetary flaw last year and empathized with the problem.
- In spite of this hardship and this critical flaw in the budget, I have faithfully discharged my obligation as a Department Head and as an elected official and kept a balanced budget at all times.
- Now, as I stated earlier, I have asked the Board to address the funding problems of the District Attorney's budget from a number of perspectives:

1. I have asked for your help in funding critically – needed general fund programs:
    - a. Roll Out – DART - Explain
    - b. Justice System Integrity Division – new expanded responsibilities
    - c. Organized Crime – Anti-terrorist component
    - d. Unincorporated Area Code Enforcement – a special need identified by you
  2. I have asked for financial relief from the salary savings burden.
  3. I have asked the Board to restore the curtailment recommended by the CAO in the 2002-03 (current year) which totaled \$4.9 million. That request was repeatedly tabled, but never voted upon and in the final analysis left in limbo.
- I can assure you curtailments for the 02-03 fiscal year have been accomplished at great sacrifice to prosecution services your constituents rely upon.
  - Our Department is terribly weakened and underfunded. Why allow for more downsizing?



- It would be much different if there had been any time in the last ten years when the District Attorney's Department had been allowed to "recover" from the recession of the early nineties.
- We would be in a better position to share in the County's current pain without complaint! But that recovery never happened!
- The salary savings has been ratcheting upward each year due to the residual effects of grant underfunding. The absorption of cost increases for worker's compensation and retiree health insurance costs goes on. These absorbtions are effectively budget cuts for which we had to give up salaries and positions.
- Our general fund portion of the budget is in a continual state of deterioration. There has been no response to our requests for help. It's just absorb the costs and annual curtailments. Where does it end?

- As I stand before you today, I can report that there are 83 less career prosecutors available than on the day I assumed office in December, 2000.
- There are 17 less investigators and 53 less staff support personnel. All of these personnel have been lost without replacement due to budget cuts and the unfunded vacancies created by the salary savings fiasco.
- The CAO's 2003-04 budget recommendation will requires the loss of at least 28 more career prosecutors, and 11 more staff personnel without hope of replacement if you do not intervene.
- It is a shortsighted tragedy to allow the Los Angeles County District Attorney's Office to decline in ability and effectiveness in the face of the challenges present throughout our great county.
- I ask you to stop the hemorrhaging of our budget. You have the power to do so.

- Give us a chance to recover this year. We are not asking for more funds. Just don't take anymore away.
- We have given up financial resources for many years to accommodate the County's larger problems. We have been good soldiers.
- But we have reached the point where great harm is being done to the office. Victims in your Districts will not be well served if the recommended curtailments are approved.
- I will be forced to reduce staff in the Sex Crimes Division, Environmental, Elder Abuse, Family Crimes Division, Hardcore Gangs/Asian Crime Section, the Hate Crimes Section, Quality of Life Unit, and the High Tech Crimes Section and in the line operations of all Branch and Area and Central Operations.
- The dismantling of the District Attorney's Department...your County prosecutor's office... is not a wise choice among curtailments.



- The public will hold you and I accountable for the reduced credibility and reduced effectiveness of the Criminal Justice System.
- Many critical operations are general fund activities which must not be allowed to erode further due to neglect or lack of prioritization.
- The constituents of your Districts depend on my office and yours to maintain a level of public protection that is fair, impartial and accurate and professional.
- Let's resolve to not do further harm to the D.A.'s office but instead to hold the line on reduction of services.





# LOS ANGELES COUNTY DISTRICT ATTORNEY'S OFFICE



## DISTRICT ATTORNEY'S BUDGET DISCUSSION: FY 2003-04

This report has been assembled from a variety of information sources to provide graphic representation of financial and staffing trends which affect the ability of the Department to provide critically needed law enforcement services.

### Salary Savings Requirement

Pages 1 through 4 illustrate the significant growth that has occurred in the Department's salary savings requirement. This factor has been distorted due to runaway inflationary costs of the worker's compensation, and retiree health insurance programs of general County government. The CAO's expedient method of financing the increase has been to simply require the Department to absorb the program increases by substituting dollars previously budgeted for salaried positions, to pay for the worker's compensation and retiree health insurance costs.

The result is a disproportionately high factor of vacancies which must be maintained, since a large portion of salary funding has been diverted to pay for worker's compensation and retiree health program costs.

Of course, there should be a small salary savings requirement to account for variances in personnel who have not reached top step pay, and for a reasonable expectation of vacant positions. But the current requirement of 13 percent of all salaries is disproportionate.

The salary savings requirement has slowly cannibalized the budget of the District Attorney's Department. The Department needs to have a large portion of these funds restored at the earliest time that funding becomes available.

### The Staffing Gap

The effects on the Department of the "slow cannibalization" has been graphically charted on pages 5 and 6. Both charts represent the same concept, but are different ways to represent the data. The chart on page 12 reflects the same data, and superimposes a "trend line" to show the degree of distortion that is growing with each year's absorption of indirect general fund liability for employee benefit costs.



The charts on pages 5 and 6 illustrate the "gap" that is widening each year between the number of positions the official final County budget allocates to the Department vs. the actual number of positions that can be staffed. The "gap" in staffing power is a funding gap caused by the salary savings requirement. The number of positions shown in the published County Budget is far greater than the financial resources actually allow the Department to staff.

### **The Budget Curtailments**

On top of the long-term unresolved salary savings issue, the CAO has asked the Department two years in a row to submit to curtailments in the budget of approximately \$5 million per year in FY 2002-2003, and in the approaching FY 2003-04 budget period.

This year in the 2003-04 Proposed Budget, the CAO has reflected in the April 15, 2003 budget cover letter the actual program curtailments occurring in our Department due to the inflationary increases in worker's compensation and retiree health insurance (in the CAO's budget transmittal letter) and also the general program curtailments requested, (also in the CAO's budget transmittal letter).

### **Erosion of Staff**

The Quarterly Staffing charts, reflected on pages 7, 8, 9, and 10, demonstrate the slow but steady erosion of staffing capabilities in the District Attorney's Department from December, 2000 until the present date. The staffing erosion is due to all of the combined factors previously discussed: an inordinately high salary savings requirement; inflationary costs of worker's compensation and retiree health insurance being paid for through erosion of the salary budget; and program cuts due to the general economic conditions, as recommended by the CAO.

### **Attrition Goals**

In order to keep pace with declining financial resources, the Department has generally allowed attrition due to loss of personnel to take care of the curtailments and other financial setbacks of the last three years.

The chart on page eleven shows the current (2002-03) year's attrition as of April 30, 2003 compared to our target financial goal set at the beginning of the budget period. Our target is to have 1,967 employees as of June 30, 2003. We presently have 1,986 employees.

### **Proposed Program Reductions**

Page 14 reflects the listing of departmental programs and staffing that are vulnerable to curtailment, due to recent losses of funding. The two year total of proposed FY 2002-03 and FY 2003-04 program losses is \$9,576,000.

The graph on page 13 reflects the percent allocation of staffed personnel in the Department.

The proposed curtailments have been identified from the "green" and "white" sections of the Current Staffing chart on page 13. These areas are funded by the County's General Fund and are not offset by outside revenue sources. The "yellow" and "red" areas of the chart on page 13 are funded by outside sources such as State, Municipal and Federal government agencies.

The "blue" area reflected on the chart are the line operations of the Department, the staff assigned to the Superior Courts as trial attorneys, investigators, witness coordinators, filing deputies, and other basic line operations personnel who operate in the many dozens of courthouses throughout Los Angeles County.

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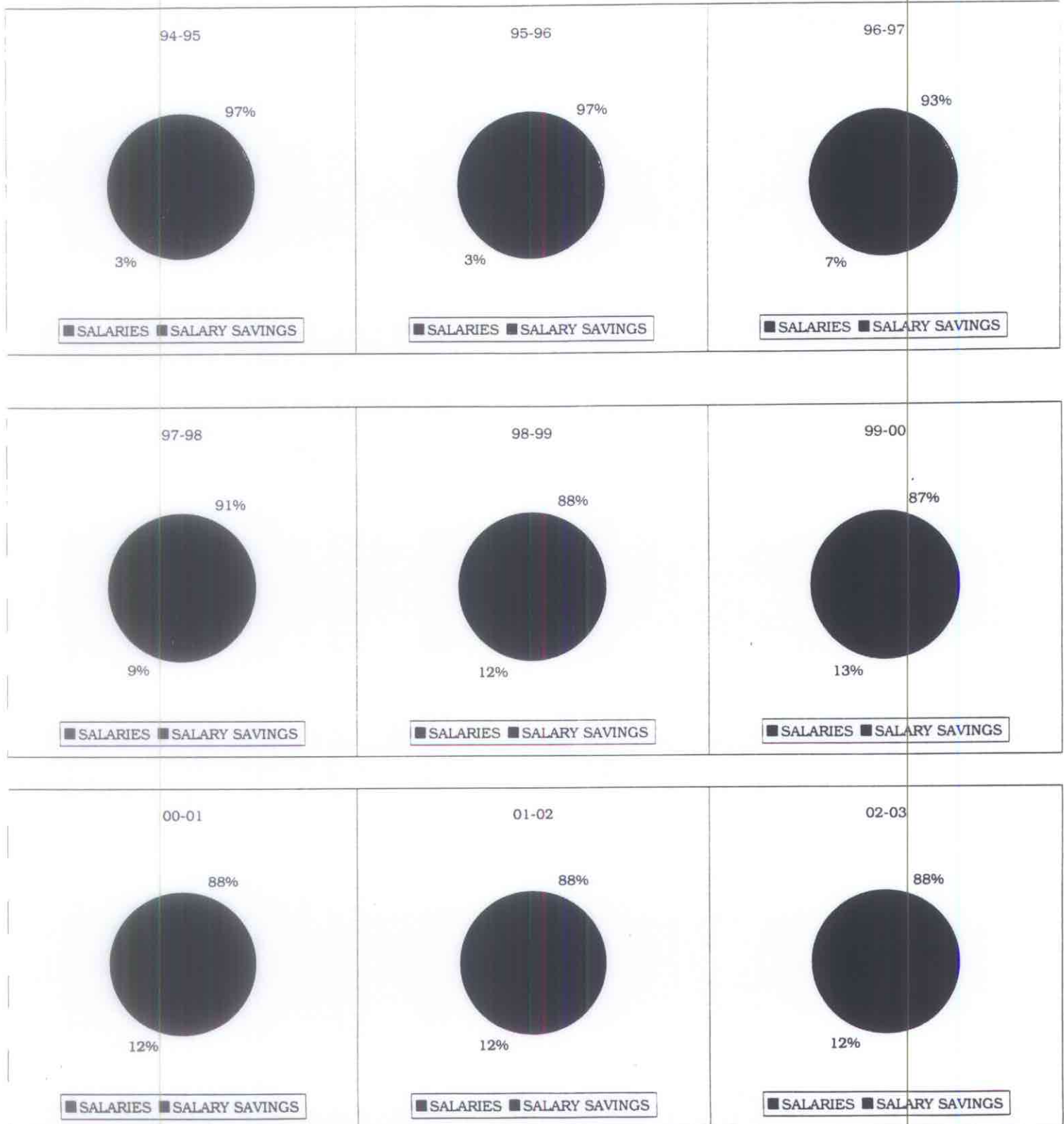
Salary Savings To Salaries	Pie Chart	1
CAO Spreadsheet Salary Savings	Table	2
Worker Compensation Budget	Table And Bar Graph	3
Retiree Health Insurance Budget	Table And Bar Graph	4
Budgeted To Actual Staffing	Bar Graph	5
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# SALARY SAVINGS TO SALARIES

## FISCAL YEARS 1994-95 TO 2002-03

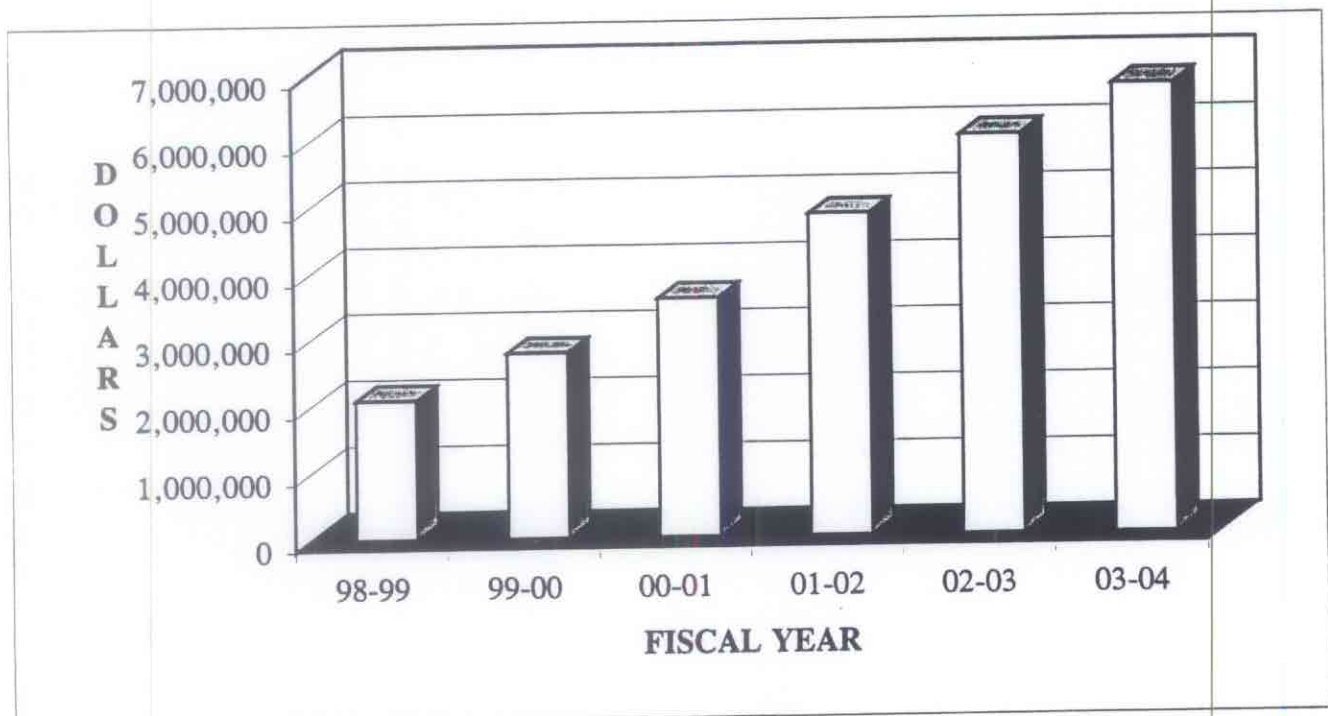


DISTRICT ATTORNEY  
**CAO SPREADSHEET SALARY SAVINGS**  
 FOR FISCAL YEARS 1993-94 TO 2002-03

FISCAL YEAR	BUDGETED SALARY SAVINGS	% OF BUDGETED GROSS SALARIES
1993-94	\$ 8,870,808	8.93%
1994-95	3,731,716	3.54%
1995-96	2,894,793	2.71%
1996-97	9,390,488	7.84%
1997-98	11,586,649	9.67%
1998-99	18,642,259	13.55%
1999-2000	22,149,330	14.32%
2000-2001	22,103,322	13.72%
2001-2002	23,055,278	13.50%
2002-2003	22,948,098	13.28%

**DISTRICT ATTORNEY**  
**WORKER COMPENSATION BUDGET**  
 FISCAL YEAR 1998-99 TO 2003-04

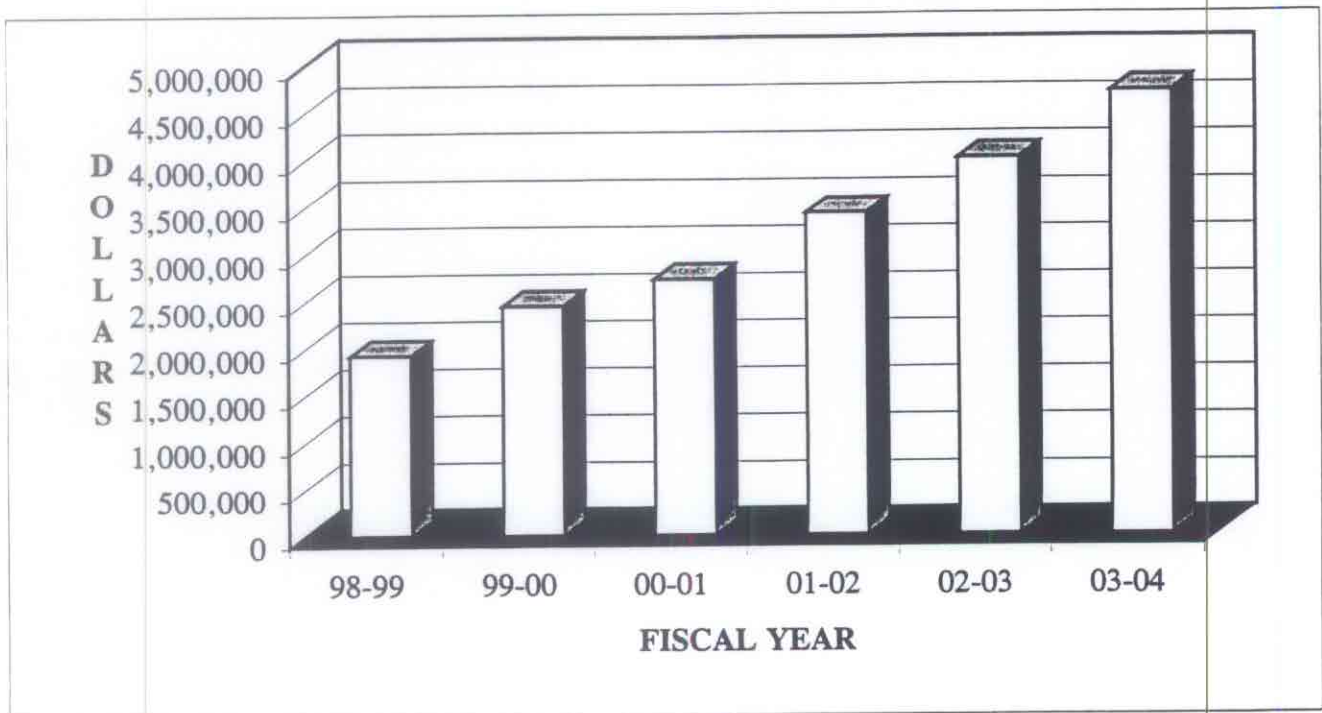
<b>FISCAL YEAR</b>	<b>BUDGETED AMOUNT</b>
98-99	\$ 2,083,000
99-00	2,777,000
00-01	3,584,000
01-02	4,831,000
02-03	6,013,000
03-04	6,741,000





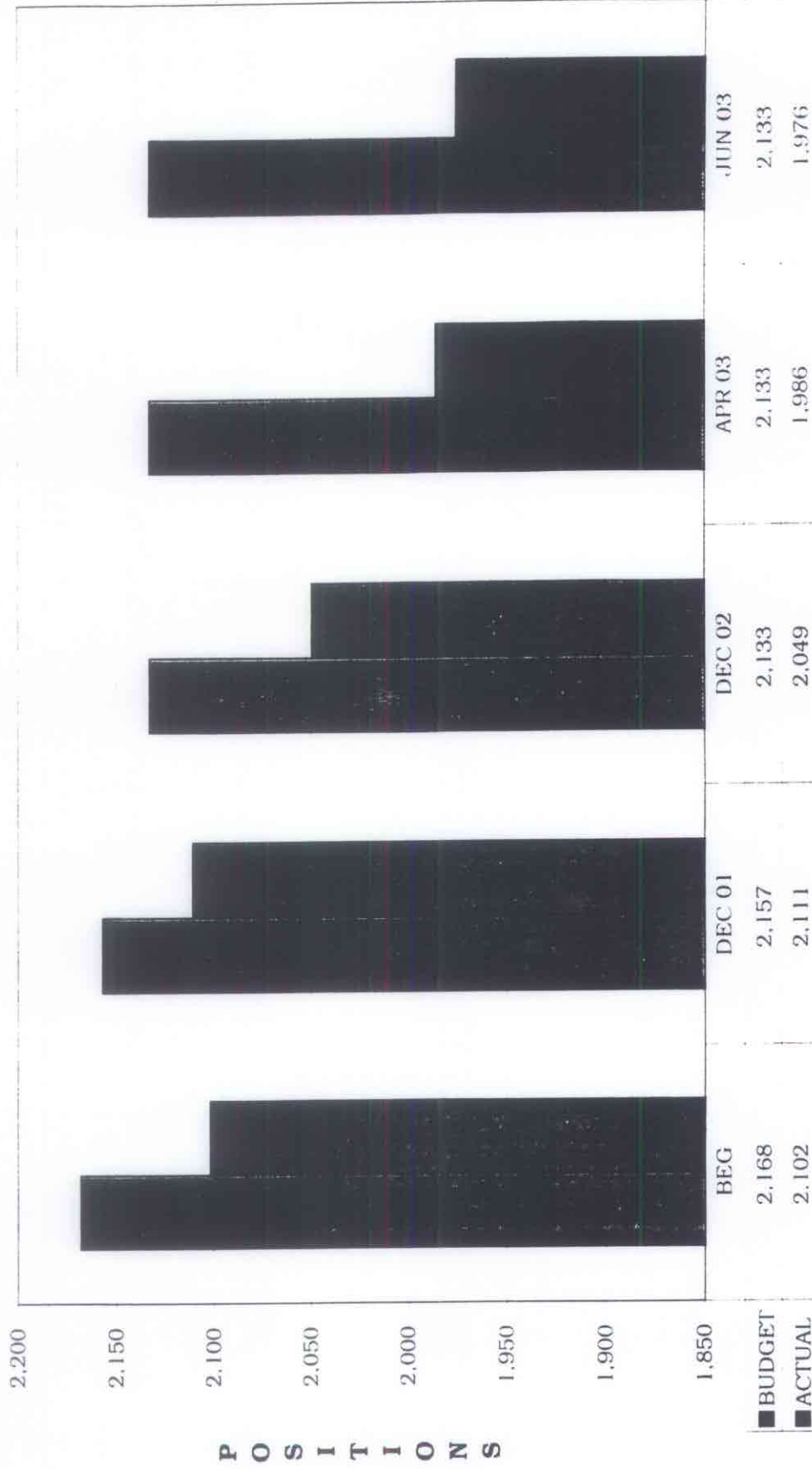
**DISTRICT ATTORNEY**  
**RETIREE HEALTH INSURANCE BUDGET**  
**FISCAL YEAR 1998-99 TO 2003-04**

<b>FISCAL YEAR</b>	<b>BUDGETED AMOUNT</b>
98-99	\$ 1,925,000
99-00	2,448,000
00-01	2,726,000
01-02	3,426,000
02-03	4,003,000
03-04	4,707,000





# BUDGETED TO ACTUAL STAFFING CHANGES

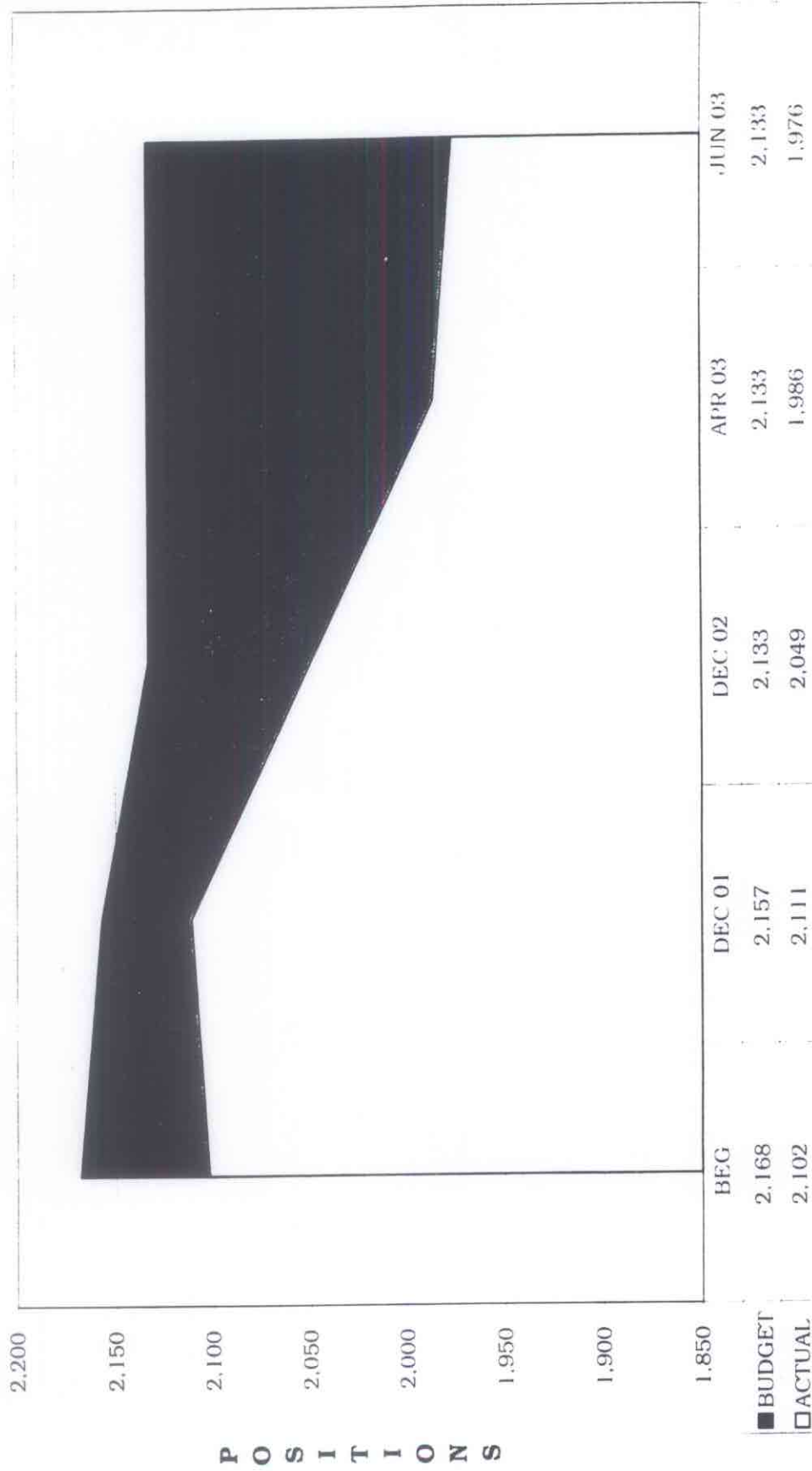


PERIOD

■ BUDGET ■ ACTUAL



# BUDGETED TO ACTUAL STAFFING CHANGES







# QUARTERLY ATTORNEY STAFFING

DECEMBER 5, 2000 TO MAY 5, 2003

1,060

1,040

1,020

1,000

980

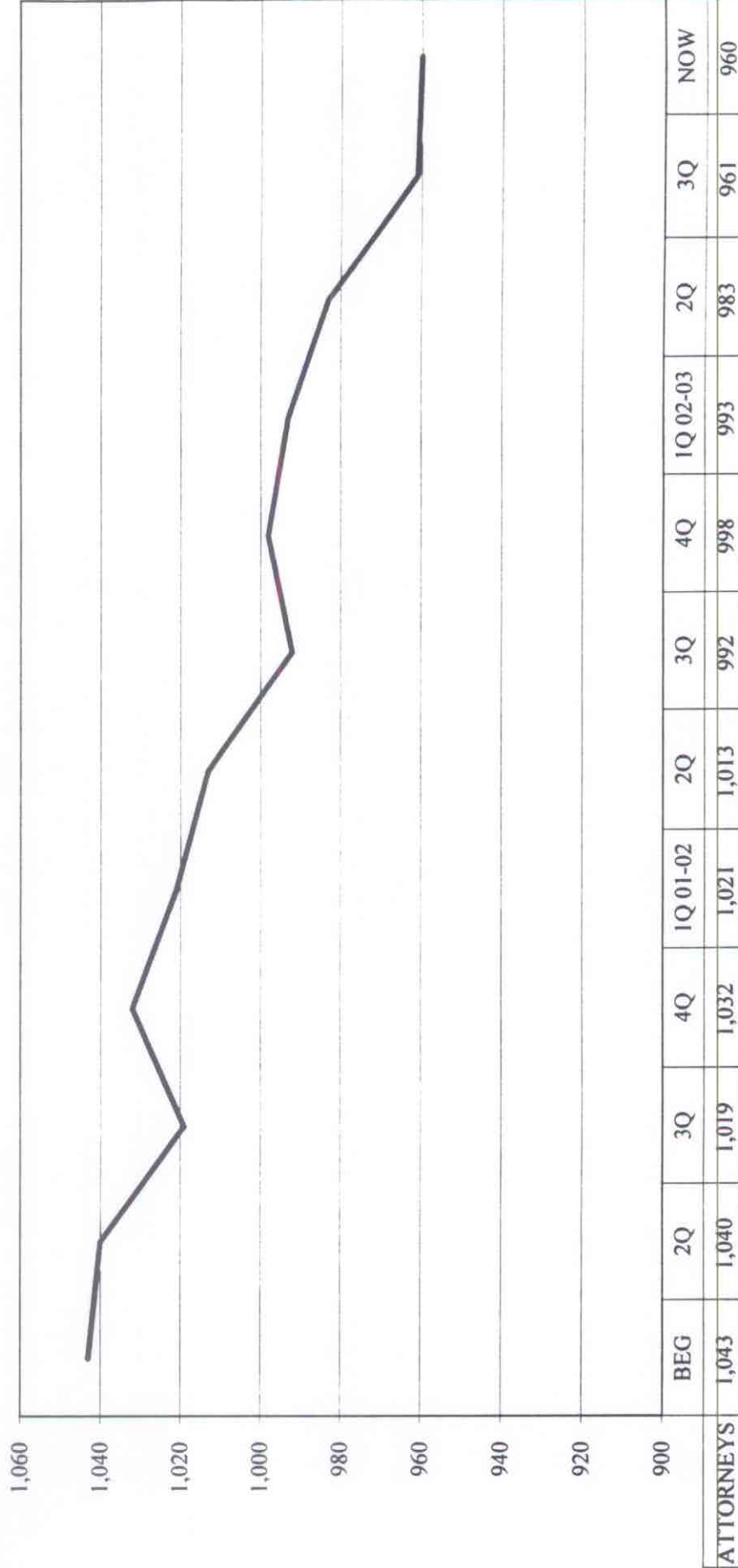
960

940

920

900

POSITIONS



23 NEW FS  
ATTORNEYS

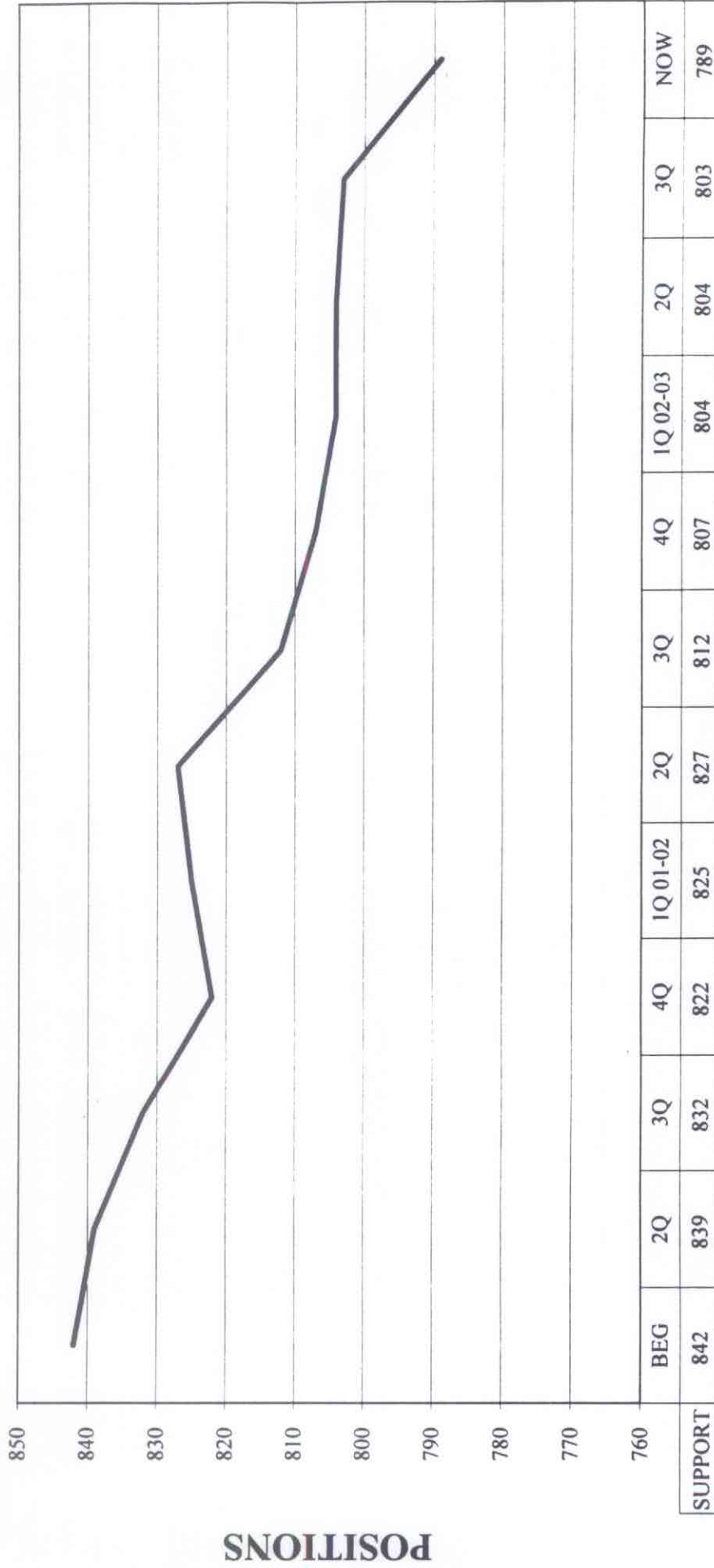
QUARTER

15 NEW FS  
ATTORNEYS



# QUARTERLY SUPPORT STAFFING

DECEMBER 5, 2000 TO MAY 5, 2003





# QUARTERLY TEMPORARY STAFFING

DECEMBER 5, 2000 TO MAY 5, 2003

160

140

120

100

80

60

40

20

0

POSITIONS

TEMPORARY

BEG

139

2Q

140

3Q

138

4Q

129

1Q 01-02

112

2Q

104

3Q

91

4Q

85

1Q 02-03

79

2Q

81

3Q

74

NOW

75

QUARTER





POSITION

# QUARTERLY INVESTIGATOR STAFFING

DECEMBER 5, 2000 TO MAY 5, 2003

280

270

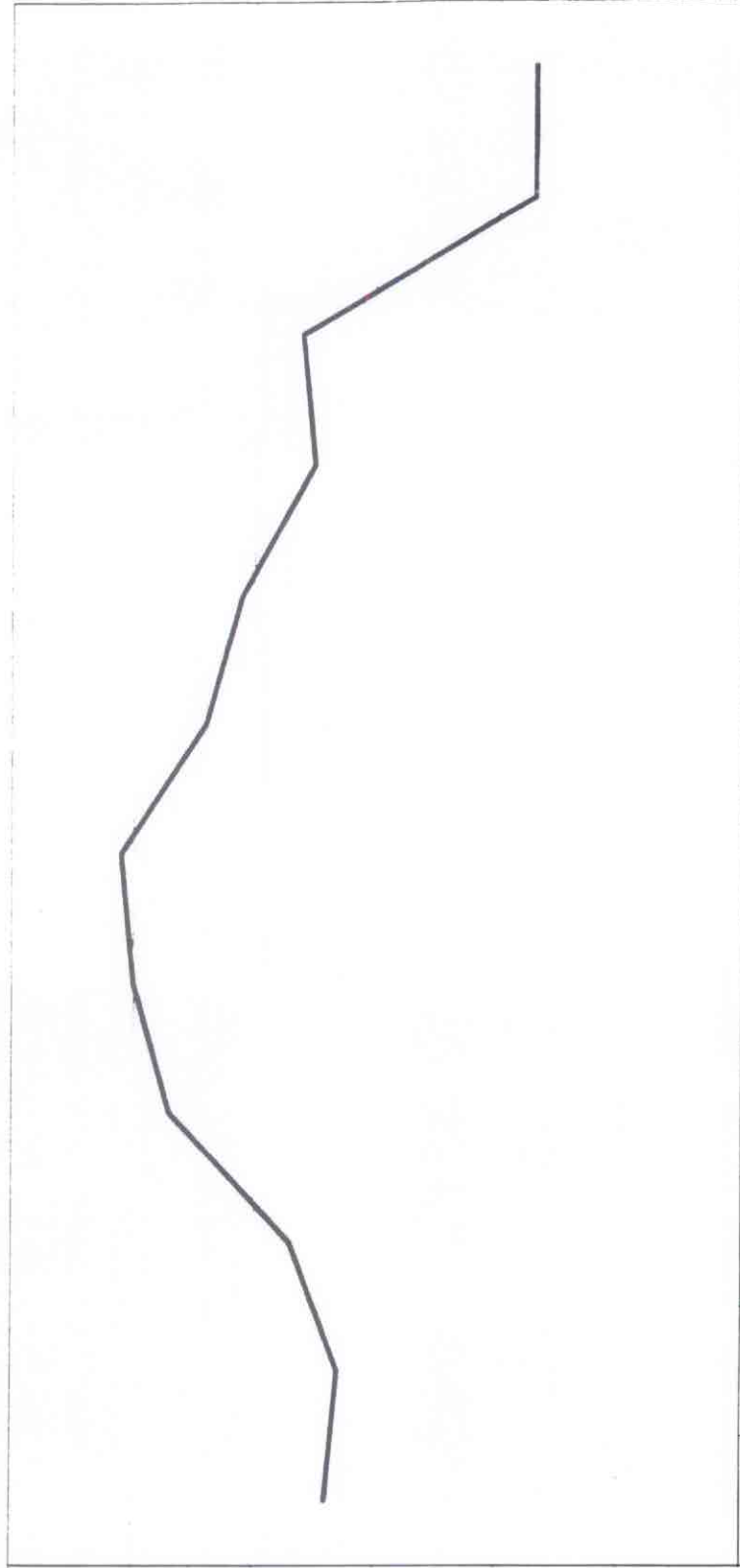
260

250

240

230

220



INVESTIGATORS

NOW

QUARTER

Includes all former Family Support Bureau investigators before their transfer on July 1, 2001.

DISTRICT ATTORNEY

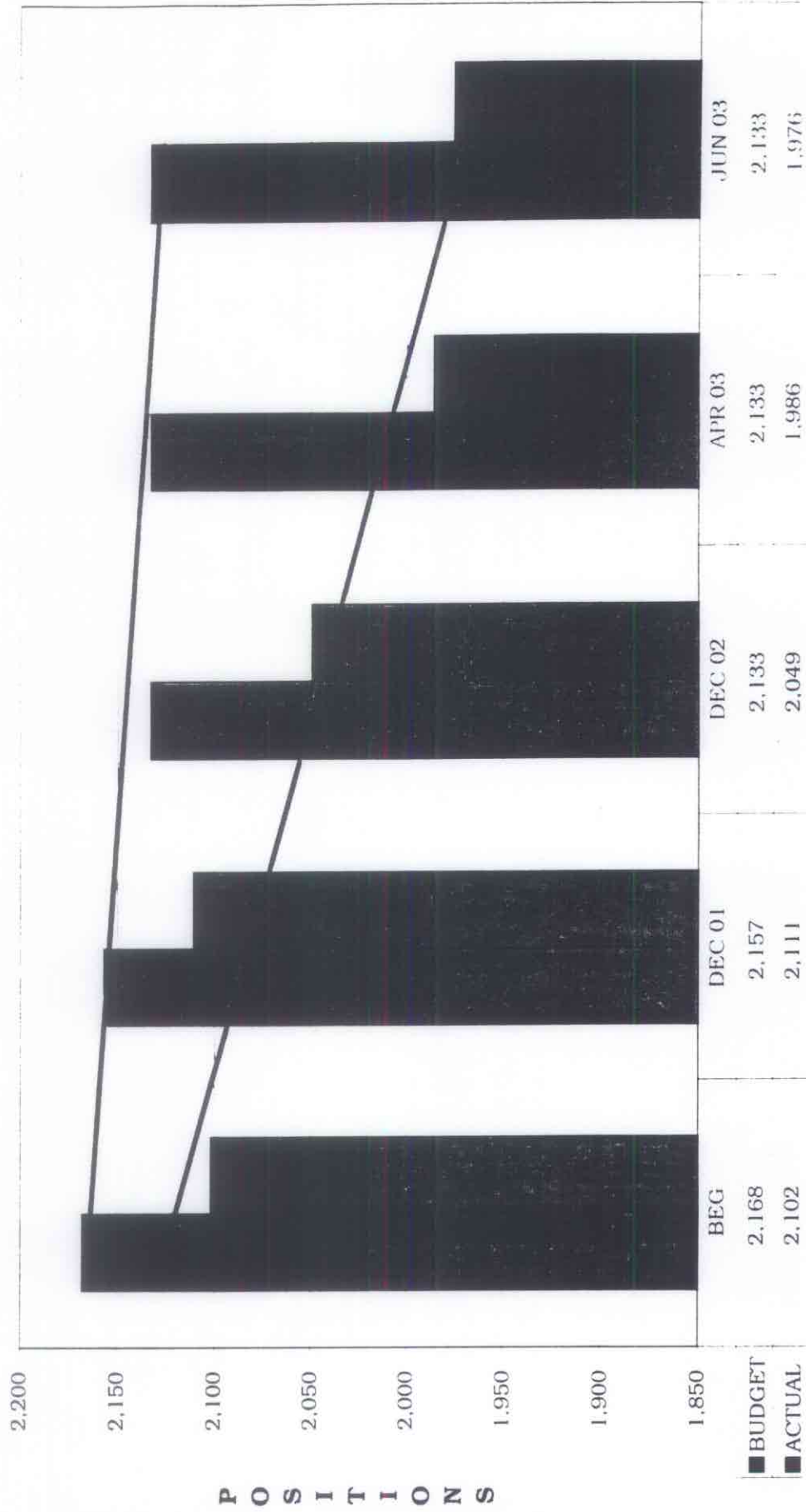
# ATTRITION ACTUAL TO ESTIMATED COMPARISON

AS OF MAY 5, 2003

BEGINNING STAFFING LEVEL		JUL AUG SEP OCT NOV DEC JAN FEB MAR APR MAY JUN TOTAL												ENDING STAFFING LEVEL	
FY 02-03 ESTIMATE															
ATTORNEYS	998	3	2	2	5	2	6	9	1	14	4	1	1	50	948
INVESTIGATORS	261	0	0	2	1	2	1	2	1	6	1	0	0	16	245
SUPPORT	815	3	4	2	1	1	5	6	3	4	4	4	4	41	774
TOTAL FY 02-03 ESTIMATE	2,074	6	6	6	7	5	12	17	5	24	9	5	5	107	1,967
FY 02-03 ACTUAL															
ATTORNEYS	998	3	1	1	2	3	1	11	5	10	3				960
INVESTIGATORS	261	3	1	1	4	2	0	6	2	15	0				237
SUPPORT	815	3	2	4	1	3	5	2	2	14	1				789
TOTAL FY 02-03 ACTUAL	2,074	9	4	6	7	8	6	19	9	39	4				1,986
DIFFERENCE															
ATTORNEYS		0	1	1	3	(1)	5	(2)	(4)	4	1				(12)
INVESTIGATORS		(3)	(1)	1	(3)	0	1	(4)	(1)	(9)	1				8
SUPPORT		0	2	(2)	0	(2)	0	4	1	(10)	3				(15)
TOTAL DIFFERENCE		(3)	2	0	0	(3)	6	(2)	(4)	(15)	5				(19)



# BUDGETED TO ACTUAL STAFFING CHANGES



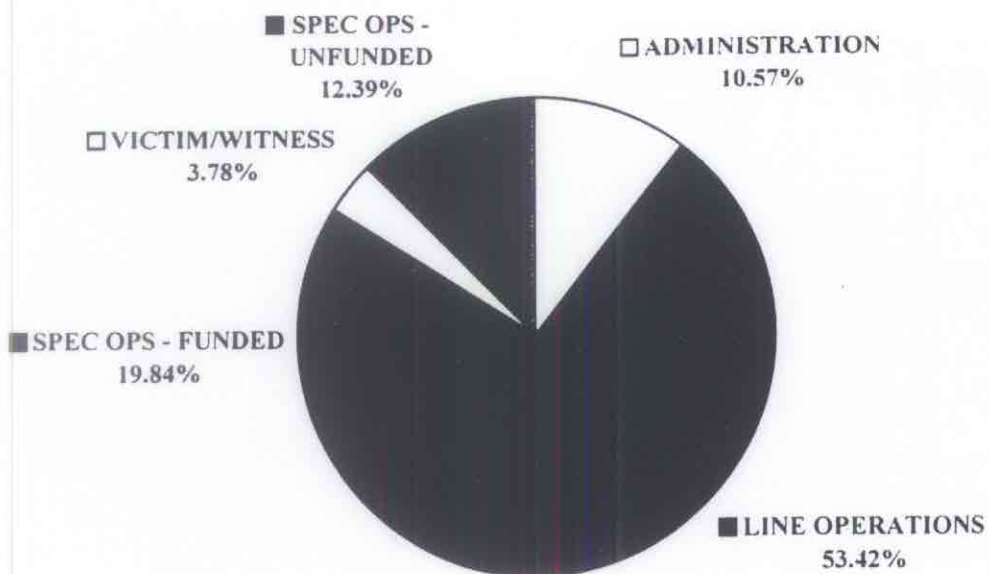
PERIOD

■ BUDGET ■ ACTUAL — Linear (BUDGET) — Linear (ACTUAL)





## CURRENT STAFFING



PROGRAM	ACTUAL STAFF	%
ADMINISTRATION	210	10.57%
LINE OPERATIONS	1,061	53.42%
SPEC OPS - FUNDED	394	19.84%
VICTIM/WITNESS	75	3.78%
SPEC OPS - UNFUNDED	246	12.39%
<b>TOTAL</b>	<b>1,986</b>	<b>100.00%</b>

# PROPOSED REDUCTIONS

2003-04

	<u>Attorney</u>	<u>Invest</u>	<u>Support</u>	<u>Budget Reduction</u>
1. Bureau of Management and Budget Positions	0	0	7	\$ 452,042
2. Quality of Life Section	3	0	0	441,980
3. Arson Section	3	0	0	443,404
4. Asian Gangs	3	0	0	441,980
5. Hate Crimes	4	0	0	616,204
6. High Tech Crimes (except Investigation)	2	0	1	224,759
7. Family Violence Division	13	0	0	<u>2,008,631</u>
				\$4,629,000

# LAST YEAR'S REDUCTIONS

2002-03

1. Environmental Division	11	2	0	1,922,000
2. Elder Abuse Section	1	2	0	325,000
3. Sex Crimes Division	17	4	0	<u>2,700,000</u>
				\$4,947,000
2 year total: \$9,576,000				(74 positions)





FAX COVER SHEET

Tuesday, May 20, 2003 08:00:58 AM

To: ALL BOARD SUPERVISORS LA COUNTY  
Attention: SUPV. BURKE CAO  
Fax #: 12136200636

From:  
Fax: 7 pages and a cover page.



Note:

PLEASE MAKE MOTION TO APPROVE, HAVE  
DELIBERATED, FUNDED AND SUPPORTED.  
WE REQUEST A RESPONSE IN WRITING  
WITHIN THE NEXT TEN DAYS. -WARREN  
COALITION FOR BLACKS BEST INTEREST  
323-419-2351

FOR MAY 20 1PM PUBLIC HEARINGS ON THE PROPOSED BUDGET

TO: ALL BOARD SUPEVISORS

FROM: COALITION FOR BLACKS BEST INTEREST

CONTACT:

WARREN WILLIAMS

COALITION FOR BLACKS BEST INTEREST

PO BOX 15494

LA, CA 90015-0494

ADDENDUM TO COALITION FOR BLACKS BEST INTEREST PROPOSED  
PROJECT:

MAY 20, 2003

AFTER DONATING MILLIONS OF DOLLARS BILL GATES ADVISED IN A  
TELEVISION BROADCAST THAT PREVENTION IS THE KEY.  
THIS IS THE SAME RECOMMENDATION I HAVE GIVEN THIS BOARD FOR  
YEARS.

Prevention means to understand the status quo traditional classic processes of  
funding, approving funds and contracting must change.

Today the priority remains to fund need.

Today in the African American Population there are qualified persons to provide  
direct services to meet the needs of the African American population.

Our meeting of 5-19-2003 presented two major concerns:

1. The most effective way to receive and disburse the funds to ensure quality  
services by African Americans
2. the need to prevent misappropriation and waste of funds such as the use of funds  
wrongly taken from parents and families using the Edmund Edelman's Parking Lot.  
We oppose the Commission of Children and Families approval to allow the use of  
funds from the Edmund Edelman's parking lot collect by adding undue pressure and  
burden on many families lacking financial resources. We also hold that this is an  
example of funds that are available to be redirected to fund our proposed project.

On Sunday May 18, 2003 Warren Williams, founder of the Coalition for Blacks Best  
Interest Address the great numbers attending the Malcolm X festival at Leimert Park.  
Warren proposed the 'AFrican Americans Dad Month and Festival' as an innovative  
way to involve more people in the process of resolving our own issues and received  
great support.

Therefore we proposed this Board will approve The Coalition For Blacks Best  
Interest

request to make a proclamation to have May 27, 2003 thru July 1, 2003, inclusive as  
Los Angeles County and City Dads Month, and the African-Americans Dads Month  
and Festival. The proposed calendar and event is below.

PROPOSED DRAFT CALENDAR FOR DADS MONTH  
MAY 20, 2003

TO:  
ALL MEDIA  
LA COUNTY AND CITY RESIDENCE  
LA MAYOR  
LA COUNTY BOARD OF SUPERVISORS

FROM:  
COALITION FOR BLACKS BEST INTEREST  
WARREN WILLIAMS  
PO BOX 15494  
LA, CA 90015-0494  
323-419-2351

LOS ANGELES COUNTY AND CITY DADS MONTH AND AA DADS FESTIVAL

MAY

T 27 DADS' IN GOD WE TRUST, PRAISE, THANKS AND PRAY DAY  
W 28 DADS' FOR POSITIVE CHANGE DAY  
T 29 DADS' HELPING DADS DAY  
F 30 DADS' HISTORY DAY  
S 31 DADS' RESPECTING OUR ANCESTORS DAY

JUNE

S 1 DADS' PRAISE LIFE DAY  
M 2 DADS' RACE RELATIONS DAY  
T 3 DADS' BUSINESS DAY  
W 4 DADS' EMPLOYMENT DAY  
T 5 DADS' FOR POSITIVE NEWS AND MEDIA DAY  
F 6 DADS' LEGAL ASSISTANCE DAY  
S 7 DADS FITNESS DAY  
S 8 DADS HOLISTIC WELLNESS DAY  
M 9 DADS FOR CHILD SAFETY & SAFE INTERNET DAY  
T 10 DADS AGAINST SUBSTANCE ABUSE DAY  
W 11 DADS AGAINST DOMESTIC VIOLENCE AND VIOLENCE DAY  
T 12 DADS' FOR CHILDREN AND FAMILIES & STOP THE KILLING DAY  
F 13 DADS FOR LEGAL EQUALITY & FAIR CONSIDERATION DAY  
S 14 DADS. FAMILIES AND FRIENDS FELLOWSHIP & FESTIVAL  
S 15 DADS MY CELEBRITY AWARDS DAY AND FESTIVAL  
M 16 DADS PREVENTION DAY  
T 17 DADS POSITIVE NEW EXPERIENCE DAY  
W 18 DADS RESEARCH AND LIBRARY DAY  
T 19 DADS RACE RELATIONS DAY  
F 20 DADS ENTERTAINMENT DAY



S	21	DADS FAMILY MOVIES DAY
S	22	DADS ART AND EXHIBIT DAY
M	23	DADS FOR LEGAL EQUALITY DAY
T	24	DADS FOR FAMILY JUSTICE DAY
W	25	DADS FOR A MORAL AMERICA DAY
T	26	DADS FOR A FAIR AMERICA DAY
F	27	DADS FOR PEACE IN THE NATION AND THE WORLD DAY
S	28	DADS FOR A CLEAN NATURAL ENVIRONMENT DAY
S	29	DADS FOR AN ETHICAL AMERICA DAY
M	30	DADS FOR RIGHTEOUS GOVERNMENT DAY
JULY		
T	1	DADS AS RESPONSIBLE, CARING & LOVING CITIZENS DAY

#### **ANNOUNCEMENT:**

The COALITION FOR BLACKS BEST INTEREST invites everyone to join us in planning and organizing the first Los Angeles AFRICAN-AMERICAN DADS FESTIVAL. The Festival is planned to occur in Leimert Park June 13, 14, and 15. The Coalition For Blacks Best Interest have asked the City and County of Los Angeles to proclaim May 27, 2003 thru July 1, 2003 DADS MONTH. Contact Warren at

323-419-2351 to get involved. Speakers, musicians, booths, artists, community groups,

you name it! Moms, families and friends honor your dads at this positive event!

Planning meetings every Thursday at CORE Western Regional Office, 3325 Wilshire, 7th Floor, 6pm, 323-252-1996.

#### **COALITION FOR BLACKS BEST INTEREST**

**PO BOX 15494**

**LA, CA. 90015-0494**

**323-419-2351**

**MAY 19, 2003**

RE: REQUEST MOTION, FUNDS AND RESOURCES TO PROMOTE AND PROCLAIM MAY 27 THRU JULY 1, 2003 AS **LOS ANGELES COUNTY AND CITY DADS MONTH**

COALITION FOR BLACKS BEST INTEREST REQUEST YOU TO PROCLAIM MAY 27, 2003 THRU JULY 1, 2003 LOS ANGELES COUNTY AND CITY DADS MONTH TO HONOR CONTRIBUTIONS OF LOS ANGELES DADS AND TAKE ACTIONS TO ENHANCE FATHERS STATUS, RIGHTS AND SERVICES.

COALITION FOR BLACKS BEST INTEREST REQUEST YOU TO PROCLAIM MAY 27, 2003 THRU JULY 1, 2003 SOUTH LOS ANGELES AFRICAN-AMERICANS FATHERS MONTH TO HONOR CONTRIBUTIONS OF SOUTH LOS ANGELES AFRICAN-AMERICAN DADS TO THEIR CHILDREN, FAMILIES,

COMMUNITY AND THE WORLD AND TAKE ACTIONS TO ENHANCE BLACK FATHERS STATUS, RIGHTS AND SERVICES.

COALITION FOR BLACKS BEST INTEREST REQUEST LOS ANGELES COUNTY AND CITY TO PROCLAIM JUNE 13, 14, 15 SOUTH LOS ANGELES BLACKS DADS FESTIVAL IN LEIMERT PARK IN SOUTH LOS ANGELES. WE REQUEST CERTIFICATES TO AWARD THE LIST OF DADS AND FRIENDS WE WILL SUBMIT FOR THEIR NOBLE CONTRIBUTIONS TO OTHERS THROUGHOUT THE YEAR AS A CARING SOCIALLY INVOLVED DAD.

COALITION FOR BLACKS BEST INTEREST REQUEST LOS ANGELES CITY AND COUNTY TO PROVIDE FOR FREE THE USE OF LEIMERT PARK IN LOS ANGELES, STAGES AND SOUND SYSTEMS IN SUPPORT OF OUR JUNE 13, 14, 15 CELEBRATION IN HONOR OF BLACK DADS, THEIR CHILDREN AND FAMILIES IN LOS ANGELES COUNTY AND CITY BLACK DADS FESTIVAL.

CONTACT:  
COALITION FOR BLACKS BEST INTEREST  
WARREN WILLIAMS  
323-419-2351

QUEENIE  
310-603-0777

DEDON  
323-294-3647

We again request for \$500 million dollars by the year 2005 for the full funding and operations of:

THE AFRICAN-AMERICANS OF LOS ANGELES COUNTY SPECIAL TASK FORCE ON CHILDREN AND FAMILY SERVICES, ECONOMIC ASSISTANCE, QUALITY LIVING CONDITIONS, SPECIAL NEEDS, RESOURCES AND EDUCATION PROJECT

The MISSION STATEMENT:

THE AFRICAN-AMERICANS OF LOS ANGELES COUNTY SPECIAL TASK FORCE ON CHILDREN AND FAMILY SERVICES, ECONOMIC ASSISTANCE, QUALITY LIVING CONDITIONS, SPECIAL NEEDS, RESOURCES AND EDUCATION PROJECT WILL SUPPORT, EDUCATE, INFORM, REPRESENT, ASSIST AND PROMOTE AFRICAN-AMERICANS OF THE LOS ANGELES COUNTY TO COMPETE EFFECTIVELY FOR LOS ANGELES COUNTY AND OTHER GOVERNMENTAL FUNDS AND RESOURCES TO GAIN QUALITY LIVING AND LIVING CONDITIONS ABSENT OF NEGATIVE SOCIAL ELEMENTS AS IS REASONABLE AND POSSIBLE WITH RECEIVED OPPORTUNITIES, FUNDING, ASSISTANCE, SUPPORT AND SERVICES.



**Sections:**

SECTION I:

BUDGET TRAINING, SUPPORT AND ASSISTANCE

**PROPOSAL ONE**

PROPOSAL FOR SPECIAL NEED PROJECT

**TITLE:**

"THE AFRICAN-AMERICANS LOS ANGELES COUNTY SECOND DISTRICT  
BUDGET PREPARATION PROJECT".

SECTION II:

CHILDREN, FAMILIES, FATHERS, PARENTS AND COMMUNITY SERVICES

**PROPOSAL TWO**

PROPOSAL FOR SPECIAL NEED PROJECT

**TITLE:**

"THE AFRICAN-AMERICANS LOS ANGELES COUNTY CHILDREN, FAMILIES,  
FATHERS, PARENTS AND COMMUNITY SPECIAL SERVICES PROJECT".

SECTION III:

HEALTH, ECONOMIC, EDUCATION AND NEIGHBORHOOD ASSISTANCE  
AND SUPPORT

**PROPOSAL THREE**

PROPOSAL FOR SPECIAL NEED PROJECT

**TITLE:**

"THE AFRICAN-AMERICANS LOS ANGELES COUNTY HEALTH, ECONOMIC,  
JUSTICE, FAIRNESS, EDUCATION AND NEIGHBORHOOD ASSISTANCE AND  
SUPPORT PROJECT

SECTION IV:

BUSINESS, EMPLOYMENT AND ECONOMIC SERVICES FOR HEALTH,  
FITNESS, SAFETY AND QUALITY LIVING

**PROPOSAL FOUR**

PROPOSAL FOR SPECIAL NEED PROJECT

**TITLE:**

"THE AFRICAN-AMERICANS LOS ANGELES COUNTY BUSINESS,  
EMPLOYMENT AND ECONOMIC SERVICES FOR HEALTH, FITNESS, SAFETY  
AND QUALITY LIVING

NEED:

African-Americans of Los Angeles County suffer with stress, family problems, social conflicts, and other urban problems due to lack of financial resources, employment and business opportunities, lack of funding support from governmental entities or lack of knowledge and stability to participate in the process, and other social, psychological, economic, and environmental barriers that persist with current services special.

TO IMPROVE RELATIONS BETWEEN AFRICANS AND AFRICAN-AMERICANS WE PROPOSED TO USE THE AFRICAN SUYA RESTAURANT ON CRENSHAW FOR COMMUNITY FORUMS, MEETINGS, WORKSHOPS AND SEMINARS.

THE AFRICAN-AMERICANS UNITY CENTER, CORE OFFICES, SOAR, HOUSE OF PRAISE, KRST UNITY CENTER, AND OTHER COMMUNITY BASED ORGANIZATIONS AND FACILITIES WILL BE USED FOR MEETINGS, AS COMMUNITY SERVICE CENTERS, ETC. FOR THIS PROJECT.

CORE, THE CONGRESS OF RACIALEQUALITY, IS ONE NON-PROFIT ORGANIZATION THAT CURRENTLY WILL RECEIVE FUNDS ON BEHALF OF THIS PROJECT AND THE COALITION FOR BLACKS BEST INTEREST. ADDRESS OF CORE IS 3325 WILSHIRE BLVD. LA, CA. 90010  
CONTACT MARY ALICE JONES 1213-252-1996

WARREN WILLIAMS IS TO BE FUNDED AS THE DIRECTOR AND A COMMUNITY AFFAIRS AND PROGRAM CONSULTANT ALONG WITH TWENTY PERSONS TO FORM THE PROJECTS STERRING COMMITTEE.

THE STREET FESTIVAL PROPOSED BY QUEENIE IS MADE PART OF THIS PROPOSAL.

THE FAMILY HELPING FAMILY AND HEALTH AND WEALTH PROGRAM OF MOTHER MARIE IS MADE PART OF THIS PROPOSAL.

AN AFRICAN-AMERICANS TASK FORCE IS TO BE FUNDED AND ORGANIZED TO RESOLVE COMPLAINTS OF FATHERS, PARENTS, FAMILIES AND OTHERS REGARDING COUNTY MATTERS.

IMMEDIATE FUNDING FOR THE YEAR 2003-2004 IS \$50 MILLION FOR THE STEERING COMMITTEE, DIRECTOR, AND DIRECT SERVICES NEEDS. PART OF THESE FUNDS WILL BE USED FOR EXPERTS TO PERFECT THIS PROPOSAL AND PROJECT.

ON BEHALF OF THE AFRICAN-AMERICAN COMMUNITY OF LOS ANGELES COUNTY AND CITY WE DO HEREBY REQUEST THAT A MOTION BE MADE FOR THIS PROJECT TO BE FUNDED AND SUPPORT. WE ALSO REQUEST



THAT THIS PROPOSED PROJECT BE DELIBERATED AND PERFECT WITH  
HELP FROM THE APPROPRIATE COUNTY STAFF.

WE RESERVE THE RIGHT TO IMPROVE, CHANGE, ADD, AMEND AND  
CORRECT THIS PROPOSAL AS IS IN THE BEST INTEREST OF THE  
AFRICAN AMERICAN POPULATION OF LOS ANGELES COUNTY AND CITY.

FOR MORE INFORMATION CONTACT:  
COALITION FOR BLACKS BEST INTEREST  
PO BOX 15494  
LA, CA 90015-0494  
323-419-2351



County of Los Angeles  
**CHIEF ADMINISTRATIVE OFFICE**

713 KENNETH HAHN HALL OF ADMINISTRATION • LOS ANGELES, CALIFORNIA 90012  
(213) 974-1101  
<http://cao.co.la.ca.us>

DAVID E. JANSSEN  
Chief Administrative Officer

Board of Supervisors  
GLORIA MOLINA  
First District

YVONNE BRATHWAITE BURKE  
Second District

ZEV YAROSLAVSKY  
Third District

DON KNABE  
Fourth District

MICHAEL D. ANTONOVICH  
Fifth District

May 13, 2003

To: Supervisor Yvonne Brathwaite Burke, Chair  
Supervisor Gloria Molina  
Supervisor Zev Yaroslavsky  
Supervisor Don Knabe  
Supervisor Michael D. Antonovich

From: David E. Janssen  
Chief Administrative Officer

Lloyd W. Pellman  
County Counsel

Jon W. Fullinwider  
Chief Information Officer

J. Tyler McCauley  
Auditor-Controller

**APRIL 29, 2003 BOARD MOTION REGARDING LITIGATION COSTS**

On April 29, 2003 your Board instructed the Chief Administrative Office (CAO), Auditor-Controller (A-C) and County Counsel to provide:

- An update on efforts to implement systems, including the Risk Management Information System (RMIS), to track litigation cost and any concerns and challenges;
- An update on how much we are spending on litigation cost; and our ability to save any portion of \$3.4 million;
- A plan to save, during fiscal year 2003-04, at least 5% litigation cost; and
- A plan for implementing the recommendations set forth in the March 25, 2003 memorandum.

## **RMIS IMPLEMENTATION STATUS UPDATE**

This section of this status update reports on the progress of the Countywide Risk Management Information System (RMIS) Project's user acceptance, which began in March 2003 and implementing the recommendations as set forth in the March 25, 2003 memorandum. Since that time, a RMIS Steering Committee was formed to prioritize changes in business processes and to plan for future system enhancements. The Steering Committee is comprised of representatives from the Chief Administrative Office (CAO), County Counsel and the Chief Information Office (CIO). The Steering Committee will now be expanded to include the Auditor-Controller (A-C).

### **Background**

On March 6, 2001, your Board approved the development and implementation of a new, state-of-the-art Risk Management and Claims Administration Information System (RMIS). Your Board further instructed the CAO, County Counsel, and all affected department heads to develop an implementation plan for departmental use of RMIS and instructed each department/district head to be accountable for the use of RMIS as part of the annual Management Appraisal and Performance Plan (MAPP).

Your Board's July 16, 2002, approval of a contract amendment with Risk Technologies, Inc. (RTI), the RMIS contractor, included a project time line, an enterprise license purchase option, and additional data conversion services to enable the CAO to accommodate various needs of departments.

### **RMIS Accomplishments to Date**

As of March 4, 2003, the following primary RMIS modules were loaded onto the County's servers for final acceptance and in addition, the following unanticipated events have surfaced:

- **RMIS Claims Administration Module:** The previous separate systems utilized by County Counsel, the Executive Office, and the County's Third Party Administrators (TPAs), Carl Warren and Company and Octagon Risk Services, have been discontinued. These entities were transitioned to the Claims Administration Module of RMIS.
- **RMIS Electronic Incident Reporting Module:** The County's TPAs are currently using this module to enter incident reports received from the departments. This module will be available to departments once they have received training on the use of this module.



- **RMIS Litigation Management/Tracking Module:** County Counsel and the County's TPAs are now using the RMIS Litigation Management/Tracking Module.
- **Unanticipated Additional Users:** RMIS was expanded to include a number of additional County Counsel user groups; for example in April 2003, County Counsel's Children Services Division, Public Works and General Litigation attorneys were added. Such additional groups required as much training and support as was originally provided to the anticipated user groups.
- **Unanticipated Enhancements:** The unanticipated user groups required enhancements or changes to RMIS, which were subsequently incorporated into the system.

#### Outstanding Implementation Issues

Outlined below are current outstanding issues and an anticipated timeline for completion of the contract:

- **Complete Timesheet and Billing Module Testing:** CAO, CIO and County Counsel are currently completing user acceptance of the final components of the Claims Administration and Litigation Management modules of RMIS. The final components are:
  - In-house Attorney Timesheet Entry
  - Payment Processing
  - In-house Attorney Time Posting
  - Invoice Billing and Reports

The Steering Committee expects testing of these components to be completed in June 2003.

- **Complete County Data Conversion:** CAO, CIO and County Counsel are working to complete the final data conversion of historic in-house attorney fees into RMIS. The conversion of this data has been particularly laborious due to the data's quality and the high volume of transactions. The Steering Committee expects data conversion to be completed in June 2003.
- **Develop Custom Reports:** The RMIS project team has been working with County Counsel, TPA staff and major County departments to identify and develop key specialized reports for claims management, litigation management, and risk management. Due to data scrubbing and unanticipated enhancements



to RMIS, development of these reports has been delayed until June 2003. The Ad Hoc Report Writer's testing is anticipated to be completed in June 2003.

- **Test Remaining Modules:** Several RMIS tracking modules have not been accepted by the County because of the extended testing phase of the Claims Administration module. The remaining modules to be delivered to the County are: Policy Tracker, Certificate Tracker, Asset Tracker, Notes, Diaries, and Calendar functions. Delivery of the remaining RMIS modules will be delayed until June 2003.
- **Disaster Recovery and Business Continuity Plan:** The Internal Services Department (ISD), who is hosting the RMIS servers, notified the CAO and CIO that it is developing a disaster recovery plan for its server farm. The servers are backed up regularly, but at the present time, no alternate hardware or alternate site has been identified for use in case of a major disaster. To minimize the risk of a catastrophic failure of the system, CAO, ISD and CIO staff will work together to develop a disaster recovery and business continuity plan.

#### Emerging Issues

Listed below are critical RMIS issues that must be addressed, which are currently outside the scope of the current contract and will require additional resources and a contract amendment:

- **New User Groups:** The Steering Committee has identified additional user groups, such as the A-C Warrant Investigations that handles claims and makes payments. These groups require further needs analysis and will result in additional modifications to RMIS.
- **RMIS Enhancements for Additional Efficiency:** During RMIS implementation, County Counsel and the CAO have begun to document ways to streamline their information workflows and increase efficiency and effectiveness in communicating with other departments by identifying additional enhancements to the system. While these enhancements fall outside the scope of the current RTI contract, a few enhancements have been identified as being crucial to support faster, more efficient data input into the system, which were addressed through the use of the contract's contingency funds.
- **Board Motion to Implement Auditor-Controller's Recommendations:** The Board's recent motion to implement the Auditor-Controller's recommendations of March 25, 2003, by July 1, 2003, was unanticipated. The motion will require time consuming RMIS program modifications and recoding of a significant number of

files. The nature and timing of the changes recommended by the A-C will delay the original testing and acceptance schedule of the Claims Administration module, and impact the accounting operations of the Insurance Budget, Judgments and Damages Budget and County Counsel Operating Budget. Staff time meant for implementation of RMIS will now be diverted to meet this requirement, and will, likely, cost an additional \$50,000, which will be submitted to before your Board through an upcoming amendment.

### **Steering Committee Recommendations**

On March 4, 2003, the County began user acceptance of the primary RMIS modules. Immediately upon entry into this phase, data scrubbing and conversion issues, unanticipated enhancements and expansion of users groups have impacted the County's user acceptance. In addition, the Board's direction to go forward with the A-C recommendations further impacts the user acceptance.

Therefore, the RMIS Steering Committee is recommending the following approach:

- The Steering Committee recommends that we continue implementing RMIS under the current contract specifications, complete testing and accept RMIS in accordance with the project's timeline. The Steering Committee anticipates this phase to be accomplished by June 2003. This recommendation will allow us to resolve outstanding issues, test and accept outstanding system modules and allow us to finalize the entry of attorney billing for FY 2002-03. This approach will also provide for the delay of the synchronization of RMIS and CAPS into FY 2003-04, and provide adequate time for the RMIS staff to move forward with an amended contract to include additional enhancements and requirements.
- Delay the implementation of the A-C's recommendations in RMIS until after June 2003. The Steering Committee anticipates the recommendations would be met by November 2003. Thereafter, a RMIS-CAPS reconciliation process for data entered since July 1, 2003 will be necessary.
- Following final system acceptance, the Steering Committee will prioritize RMIS future enhancements, Board requirements (A-C recommendations), and outstanding issues. At that time, a request will be submitted to your Board for funds, staff and additional contracting authority to implement these requirements.



### **LITIGATION COST STATUS AND PLAN TO REDUCE COSTS UPDATE**

At the April 29, 2003 meeting, your Board also requested an update on litigation costs this fiscal year compared to the prior fiscal year, and a plan to save at least 5% in litigation cost during the 2003-2004 fiscal year. Due to the current unavailability of the RMIS for these purposes, a comparison of total litigation costs for the current fiscal year to costs for the last fiscal year (as of March 1 of each year), exclusive of workers' compensation, dependency, MTA and Metrolink, and based on the information available from County Counsel's and the Internal Services Department's prior data systems, is being compiled and will be provided to your Board under separate cover when completed.

In last year's budget actions, your Board retained the sum of \$3.48 million in Provisional Funding Uses for various anticipated additional litigation-related services and supplies rather than transfer that amount to the Judgments and Damages budget. The idea was to see what actually transpired with regard to such anticipated litigation during the year before actually reallocating these funds to the litigation budget. With regard to additional anticipated litigation matters envisioned by this amount, some of the anticipated expenditures have been avoided by a favorable settlement in one case and favorable pretrial rulings in another case which have minimized ongoing pretrial and trial proceedings, and attendant costs, during the present fiscal year. It should be noted, however, that the favorable pretrial rulings have been appealed and that there is always the possibility that further rulings will reactivate trial court proceedings and require additional litigation costs in the future. In addition, other envisioned anticipated litigation costs for major cases, such as the County's lawsuit against insurers relating to 1994 earthquake damages, which were expected to commence trial or involve substantial pretrial proceedings in 2002-2003 have been realized and are ongoing.

With regard to a plan to save at least 5% in litigation costs during the 2003-2004 fiscal year, this is an aspirational goal which the County Counsel, together with your Board, the County's Risk Manager and County departments, through their designated Risk Management Coordinators, will strive to achieve or exceed, not only for the next fiscal year, but in future years as well. However, it must be recognized that basing such a goal on litigation expenditures in a prior year may be illusory as the number and nature of lawsuits requiring active defense or prosecution in court may change and are largely not within the County's control. The best way to limit the County's overall litigation costs is to pursue the risk management efforts recently called for by your Board in an effort to reduce the number of claims and lawsuits filed against the County in future years.

Heightened attention to litigation costs and a focus on risk management and regular review of each case to assure the most cost effective approach consistent with the County's and affected department's interests have been implemented through the County Counsel's protocols and procedures for assessment, monitoring and review of

County liability litigation presented to your Board in August of 2002. Additionally, each County department has designated, or is in the process of designating, a Risk Management Coordinator, pursuant to your Board's direction. These Risk Management Coordinators will be incorporated into the roundtables and other ongoing litigation assessment efforts. Also, the County's Risk Manager and County Counsel's soon to be appointed Litigation Cost Manager will be increasingly involved with overall departmental litigation cost assessments as well as assessments in particular cases and areas of identified higher risk litigation.

All of these risk and cost management processes, procedures and efforts should result, in the future, in the type of litigation cost savings which your Board and each County department desires. Although much of the required effort to properly defend a lawsuit against the County or to prosecute an action in which the County is a plaintiff is beyond the County's immediate control, due to the vagaries of actions by the courts, opposing attorneys and their clients, we nevertheless believe that through continuing our active and persistent attention to cost effectiveness and overall risk management factors in assessing and managing each lawsuit cost saving efficiencies will be realized.

However, as noted earlier, the root causes of County liability must be addressed through active and persistent follow-up of corrective and remedial action plans and loss control plans developed to reduce particular identified liability litigation risks, as well as risk management assessment of County programs, practices, employee actions and training which may be identified by the County Risk Manager and departmental Risk Management Coordinators recently designated at the direction of your Board. The most significant potential reductions in County litigation costs will be realized by reducing the numbers and magnitude of claims and lawsuits filed against the County by addressing and minimizing the actions of the County and its employees which result in liability litigation.

If you have any questions concerning RMIS, please call Rocky Armfield, County Risk Manager at (213) 351-5346.

DEJ:RA  
DU:CY

#### Attachments

c: Executive Officer, Board of Supervisors





COUNTY OF LOS ANGELES  
OFFICE OF THE COUNTY COUNSEL


648 KENNETH HAHN HALL OF ADMINISTRATION  
500 WEST TEMPLE STREET  
LOS ANGELES, CALIFORNIA 90012-2713

LLOYD W. PELLMAN  
County Counsel

May 20, 2003

9  
TDD  
(213) 633-0901  
TELEPHONE  
(213) 974-1904  
TELECOPIER  
(213) 687-7300

TO: SUPERVISOR YVONNE BRATHWAITE BURKE, Chair  
SUPERVISOR GLORIA MOLINA  
SUPERVISOR ZEV YAROSLAVSKY  
SUPERVISOR DON KNABE  
SUPERVISOR MICHAEL D. ANTONOVICH

FROM: LLOYD W. PELLMAN   
County Counsel

RE: **Litigation Budget Information**

This is to provide litigation budget information relating to both litigation expenses and judgments and settlements. The enclosed chart compares last fiscal year's actual sums, the estimated current fiscal year sums, and the proposed breakdown for next fiscal year.

The Judgments and Damages(J&D) Budget is developed by reviewing the total costs of existing cases by department, identifying cases where expenditures are projected to significantly increase or decrease based on the status of the case (provided by attorneys), and anticipating the costs of new cases. Attorneys in our office anticipate the cases that will conclude by way of a judgment or settlement in the next fiscal year to determine potential judgment/settlement charges. Our office also reviews the J&D Budget request with the Chief Administrative Office to establish a proposed J&D Budget. This information is provided to departments, however, the individual departments take into consideration these estimates and appropriate funds in their budget based on the departments's evaluation of the department's needs.

The proposed J&D Budget, as with all other budget projections, is submitted in February to the Chief Administrative Office. During the months thereafter as the proposed budget is developed, information about new cases and additional information about existing cases is factored into the proposed budget.

In August of 2002 a recommendation was made to reallocate \$3,488,000 from Provisional Financing Uses (PFU) to the J&D Budget due to anticipated additional attorneys fees. This sum was to supplement what had been an allocation in FY 2002-03 which had been identical to the allocation in FY

2001-02, without any increase in net County cost. This request was based on the anticipated litigation cost of five matters, partially offset by savings of a net \$1,217,000 from 23 matters which had been resolved in the interim between the submission of the prior budget and the final resolution of expense, some of which were higher than projected and some of which were resolved at less than anticipated. Of the five matters, three have been resolved at substantially less expense than had been anticipated. However, two of the matters continue to date with one actively consuming resources and the second matter active, although still within the allocation.

Because we cannot forecast with certainty that the allocation from PFU will not be needed to fund the expenditure of the attorneys fees required for the balance of the fiscal year, we recommend the retention of the funds in the PFU pending the closing of the books for the fiscal year..

LWP:lwp

Enclosure

c: David E. Janssen  
Chief Administrative Officer

Violet Varona-Lukens, Executive Officer  
Board of Supervisors

J. Tyler McCauley  
Auditor-Controller

	<u>Actual 2001-02</u>	<u>Estimated 2002-03</u>	<u>Proposed Budget</u>
<b>Litigation Expenses:</b>			
County Counsel	14,168,300 (1)	12,907,000	11,758,000 (2)
Contract Law Firms	28,931,000	31,985,000	30,521,000 (2)
Medical Mal-Practice	7,953,000	8,270,000	8,549,000
Auto/General Liability	<u>5,904,000</u>	<u>5,986,000</u>	<u>4,991,000</u>
Total Litigation Expenses	56,956,300	59,148,000	55,819,000
<b>Judgments And Settlements:</b>			
County Counsel	36,973,000	36,169,000 (3)	40,655,000 (3)
Medical Mal-Practice	16,053,000	11,613,000 (4)	26,062,000 (4)
Auto/General Liability	<u>6,902,000</u>	<u>10,064,000 (4)</u>	<u>9,476,000 (4)</u>
Total Judgments & Settlements	59,928,000	57,846,000	76,193,000
<b>For Information Purposes Only:</b>			
Dependency Court	20,950,000	24,462,000	
Workers' Compensation	3,891,000	3,542,000	4,136,000

(1) Previously reported amount of \$22.2 million has been adjusted to eliminate : Workers' Compensation, Mental Health/Public Guardian, Treasurer-Tax Collector/Public Administrator, Civil Service.

(2) Does not include final change adjustments recommended by the Auditor-Controller, ie.: Litigation fees reflected in County Counsel's operating budget and payments made directly by departments.

(3) Does not include final change adjustments recommended by the Auditor-controller, ie.: Judgments and Settlements currently paid directly by departments.

(4) Numbers provided by the CAO who oversees the Third Party Administrator programs.